THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) No, Sir.

(b) and (c) Do not arise in view of (a) above.

Policy of Government for Setting up New Sugar Mill

3355. SHRI SATISH PRADHAN: Will the Minister of FOOD be pleased to state:

(a) the policy of Government in regard to issue of industrial licence for setting up new sugar units in the country and details thereof alongwith the changes proposed in the current policy;

(b) the State-wise break up of projects awaiting clearance from the Central authority;

(c) the number of new sugar units awaiting clearance from Government and State, proposed to expedite early clearance;

(d) what has been the production of sugar vis-a-vis demand during the last three years; and

(e) whether Government propose to export surplus sugar produce in the country and if so, the details thereof?

THE MINISTER OF FOOD AND MINISTER OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (SHRI DEVENDRA PRASAD YADAV): (a) The letters of intent/industrial licences are issued for setting up of new sugar units in the Country, as per the licensing policy guidelines announced by the Government of India vide Press Note No. 16 (1991 series) dated 8.11.91 as at statement (*see* below). There is no change in the current licensing policy for sugar industry.

(b) and (c) As on 31.7.1996, 52 proposals received through the Ministry of Industry for grant of Letters of intent/ industrial licences for establisment of new sugar factories were pending consideration. The State-wise break-up is as under:—

Sl No.	State	No. of proposals pending consideration
1.	Uttar Pradesh	6
2.	Madhya Pradesh	23
3.	Punjab	1
4.	Bihar	3
5.	Karnataka	6
6.	Andhra Pradesh	2
7.	Tamil Nadu	9
8.	Orissa	1
9.	Pondicherry	1
		52

(d) The production and consumption of sugar during the last three sugar years (October—September) are as under:—

(Lakh tonnes)

Sugar Year	Production of Sugar	Internal consumption of sugar
1992-93	106.09	120.05
1993-94	98.24	111.29*
1994-95	146.43	119.74*

*This does not include the sugar imported by private parties under OGL for sale in the open market.

(e) Beginning August, 1995, Government has so far notified a quantity of about 10 lakh tonnes of sugar out of surplus free sale sugar for commercial exports. Further exports as deemed necessary and feasible will also be allowed.

Statement

Government of India Ministry of Industry

Department of Industrial Development

PRESS NOTE NO. 16

(1991 Series)

Subject: Guidelines for licensing of new and expansion of existing sugar factories for the Sugar year 1991-92 and the 8th Five Year Plan (1992-93—1996-97).

A. The Government of India have reviewed and Guidelines for licensing of new and expansion of existing sugar factories issued vide this Ministry's Press Note No. 4 (1990 Series) dated 23.7.1990. In supersession of the aforesaid Press Note, Government have formulated the following revised guidelines:—

(1) New Sugar factories will continue to be licensed for a minimum economic capacity of 2500 tonnes cane crush per day (TCD). There will not be any maximum limit on such capacity, However, in areas specified as industrially backward areas by the Government of India and certified by the Indian Council of Agricultural Research to be agro-climatically suited for development of sugarcane, licensing of new sugar factories in the co-operative and public sectors would be allowed for an initial capacity of 1750 TCD subject to the condition that the units would expand their capacity to 2500 TCD within a period of 5 years of going into production.

(2) Licences for new sugar factories will be issued subject to the condition that the distance between the proposed new sugar factory and an existing/already licensed sugar factory should be 25 kilometres. This distance criterion of 25 kms. could, however, be relaxed to 15 kms. in special case where cane availability so justifies.

(3) The basic criterion for grant of licences for new sugar units would be their viability, mainly from the point of view of cane availability and potential for development of sugarcane.

(4) All new licences will be issued with the stipulation that cane price will be payable on the basis of sucrose content of sugarcane.

(5) Other things being equal, preference in licensing will be given to proposals from the Co-operative Sector and the Public Sector, in that order, as compared to the Private Sector.

In case more than one application is received from any zone of operation, priority will be given to the application received earlier. However, in such cases also, preference will be given to the Coop. Sector, followed by the Public Sector and the Private Sector, in that order, even though the applications of the first two sectors may be of a later date.

(6) Priority will continue to be given to sugar factories with capacity less than 2500 TCD to expand to the aforesaid minimum economic capacity.

(7) While granting licences for new units and expansion projects, the additional capacity to be created upto the end of the Eighth plan, i.e. 1996-97, will be kept in view.

(8) While granting licences for new sugar factories, industrial licences in respect of down-stream units for the use of molasses i.e. industrial alcohol etc. will be given readily.

(B) Applictions for licences will be initially screened by the Screening Committee of the Ministry of Food, while considering such applications, the comments of the State Governments/Union Territory Administration concerned would also be obtained. The State Government/Union Territory Administration would be required to furnish their comments within 3 months of the receipt of communication from the Ministry of Food.

(C) Applications for grant of industrial licences for the establishment of new sugar factories as well as expansion of existing units should be submitted directly to the Secretariat for Industrial Approvals in the Department of Industrial Development in Form IL alongwith the prescribed free of Rs. 2500/-. A copy of the application may also be sent to Ministry of Food.

(D) The procedure and guidelines, as given above, are brought to the notice of the entrepreneurs for their information and guidance.

Sd/-
(S. Bhavani)
Deputy Secretary to the Govt. of India.

No. 10 (74)/91-IP New Delhi, the 8th November, 1991.

Forwarded to Press Information Bureau for giving wide publicity to the contents of the above Press Note.

Principal Information Officer,
Press Information Bureau,
New Delhi.

Reduction in Tribal Area Welfare Fund

3357. SHRI RAGHAVJI: will the Minister of WELFARE be pleased to state:

(a) whether the amount for Tribal Area Welfare Fund (Tribal-Sub-Plan) has been drastically reduced;

(b) if so, the reasons therefor;

(c) whether his Ministry has received some welfare schemes from Madhya Pradesh;

(d) if so, the details of such schemes and reaction of Government thereto; and

(e) the steps being taken by Government to promote the living conditions of destitute children by implementing welfare scheme in Madhya Pradesh?

THE MINISTER OF WELFARE (SHRI BALWANT SINGH RAMOOWALIA): (a) No. Sir.

(b) Does not arise.

(c) Yes Sir.

Coal Projects Under Implementation

3356. SHRI SANATAN BISI: Will the Minister of COAL be pleased to state:

(a) the number of projects under implementation in the coal sector;

(b) the total cost of the projects;

(c) whether any estimate has been made in respect of the proejcts running behind the schedule; and

(d) if so, the details in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) to (d) As on 1.7.1996, 62 projects each costing Rs. 20 crores and above with a total sanctioned investment of Rs. 8158.71 crores were under implementation in Coal India Ltd. (CIL) and Singareni Collieries Co. Ltd. (SCCL). Of these, 13 projects of Coal India Ltd. (10 mining and 3 non-mining) are running behind their approved schedule of completion. (At present, no proejct costing above Rs. 20 crores is delayed in SCCL.)